

State of Alaska FY2005 Governor's Operating Budget

Department of Health and Social Services Catastrophic and Chronic Illness Assistance (AS 47.08) Component Budget Summary

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Component: Catastrophic and Chronic Illness Assistance (AS 47.08)

Contribution to Department's Mission

Health Care Services (HCS) is a new division and a new RDU in FY2004. The Department of Health and Social Services (DHSS) restructure placed certain Medicaid categories of service financed and managed by the Division of Medical Assistance with certain Maternal and Child Family Health services provided and managed by the Division of Public Health. The mission of the former Division of Medical Assistance *"to maintain access to health care and to provide health coverage for Alaskans in need"* continues to accurately state the mission of the collective Division of Health Care Services.

Core Services

The CAMA program provides a limited package of health services to those individuals with chronic medical conditions who do not qualify for the Medicaid program. CAMA's limited benefits are only available to low-income persons with an immediate need for medical care who are unable to secure other private or public assistance.

During the FY03 budget process, the CAMA appropriation was cut by 50%, leaving a total of \$2 million to provide limited services to Alaska's indigent. The HCS implemented regulations that limited coverage making CAMA primarily a prescription drug program for the terminally ill, chemotherapy patients, and people with certain chronic conditions that without treatment would lead to disability or death.

FY2005 Resources Allocated to Achieve Results

FY2005 Component Budget: \$1,471,000

Personnel:

Full time	0
Part time	0
Total	0

Key Component Challenges

The CAMA program provided payment for 1,771 individuals within the appropriated general fund amount of \$2 million although it was necessary to clear pended claims in FY2004. General fund expenditure cut backs during FY2004 budget development reduced the CAMA authorization to \$1,471.0. The combination has put the CAMA program in a precarious position. The HCS continues to work case management and Medicaid retroactive claims and has been able to manage the expenditures thus far, but it is uncertain as to how long it can continue to do so.

Significant Changes in Results to be Delivered in FY2005

The CAMA program has implemented regulations to reduce service coverage in order to stay within budgeted funding levels. The only individuals eligible for CAMA are cancer patients requiring chemotherapy or radiation, persons with terminal illnesses, and persons with chronic conditions that without treatment will lead to disability or death.

Major Component Accomplishments in 2003

The CAMA program provided payment for 1,771 individuals within the appropriated general fund amount of \$2 million although it was necessary to clear pended claims in FY2004.

Statutory and Regulatory Authority

Alaska Statutes:

AS 47.07 Medical Assistance for Needy Persons

AS 47.08 Assistance for Catastrophic Illness and Chronic or Acute Medical Conditions

AS 47.25 Public Assistance

Social Security Act:

Title XVIII Medicare

Title XIX Medicaid

Title XXI Children's Health Insurance Program

Administrative Code:

7 AAC 43 Medicaid

7 AAC 48 Chronic and Acute Medical Assistance

Code of Federal Regulations:

Title 42 CFR Part 400 to End

Contact Information
<p>Contact: Janet Clarke, Director, Administrative Services</p> <p>Phone: (907) 465-1630</p> <p>Fax: (907) 465-2499</p> <p>E-mail: Janet_Clarke@health.state.ak.us</p>

Catastrophic and Chronic Illness Assistance (AS 47.08) Component Financial Summary

All dollars shown in thousands

	FY2003 Actuals	FY2004 Authorized	FY2005 Governor
Formula Program:			
Component Expenditures:			
71000 Personal Services	0.0	0.0	0.0
72000 Travel	0.0	0.0	0.0
73000 Contractual	0.1	0.0	0.0
74000 Supplies	0.0	0.0	0.0
75000 Equipment	0.0	0.0	0.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	1,999.3	1,471.0	1,471.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	1,999.4	1,471.0	1,471.0
Funding Sources:			
1004 General Fund Receipts	1,999.4	1,471.0	1,471.0
Funding Totals	1,999.4	1,471.0	1,471.0

**Summary of Component Budget Changes
From FY2004 Authorized to FY2005 Governor**

All dollars shown in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2004 Authorized	1,471.0	0.0	0.0	1,471.0
FY2005 Governor	1,471.0	0.0	0.0	1,471.0